



**CALGARY  
POWER**

ANNUAL REPORT 1974

# CALGARY POWER LTD.

## OFFICERS

A. W. HOWARD,  
Chairman of the Board  
and Chief Executive Officer

M. M. WILLIAMS,  
President

G. H. MILLIGAN,  
Vice-President, Administration

T. D. STANLEY,  
Vice-President, Resources Planning

H. G. SCHAEFER,  
Treasurer

F. V. KAY,  
Assistant Treasurer

J. W. NEWBY,  
Secretary

H. B. CURTIS,  
Assistant Secretary

## COMPANY OFFICIALS

E. J. BARRY,  
Director of Energy Supply Planning

J. A. BOURNE,  
Controller and Chief Accountant

T. E. CARDELL,  
Director of Operational Services

R. B. CARRUTHERS,  
Capital Budget and  
Property Account Administrator

W. R. DAVIS,  
Executive Engineer

W. L. FRASER,  
Director of Technical Services

G. A. HADLINGTON,  
Director of Administrative Services

M. J. HALPEN,  
Assistant Director of Administrative Services

E. J. MacLEOD,  
Director of System Planning

D. B. PORTER,  
Director of Public Affairs

H. G. SCHAEFER,  
Director of Finance

E. W. SMITH,  
Director of Consumer Services

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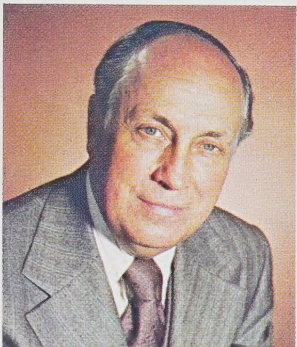


# BOARD OF DIRECTORS

December 31, 1974



E. R. ALEXANDER  
Deceased January 29, 1975



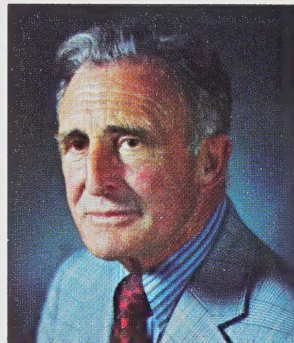
J. H. COLEMAN  
Toronto, Ontario  
Financial Consultant



A. S. GORDON  
Westmount, Quebec  
Consultant, Merrill Lynch,  
Royal Securities Limited



J. H. McLAUGHLIN  
Spruce Grove, Alberta  
Farmer



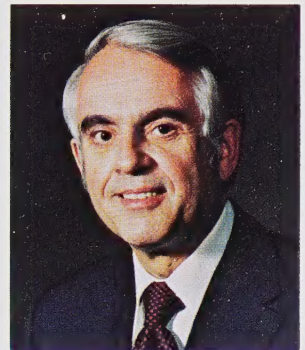
J. B. CROSS  
Okotoks, Alberta  
Rancher



A. W. HOWARD  
Calgary, Alberta  
Chairman of the Board &  
Chief Executive Officer



G. H. THOMPSON, M.C.  
Calgary, Alberta



R. G. BLACK, Q.C.  
Calgary, Alberta  
Partner, Jones, Black,  
Gain & Laycraft



D. D. DUNCAN, Q.C.  
Edmonton, Alberta  
Partner, Duncan & Craig



C. F. MALLORY  
Westmount, Quebec  
Vice-President, Montreal  
Engineering Company,  
Limited

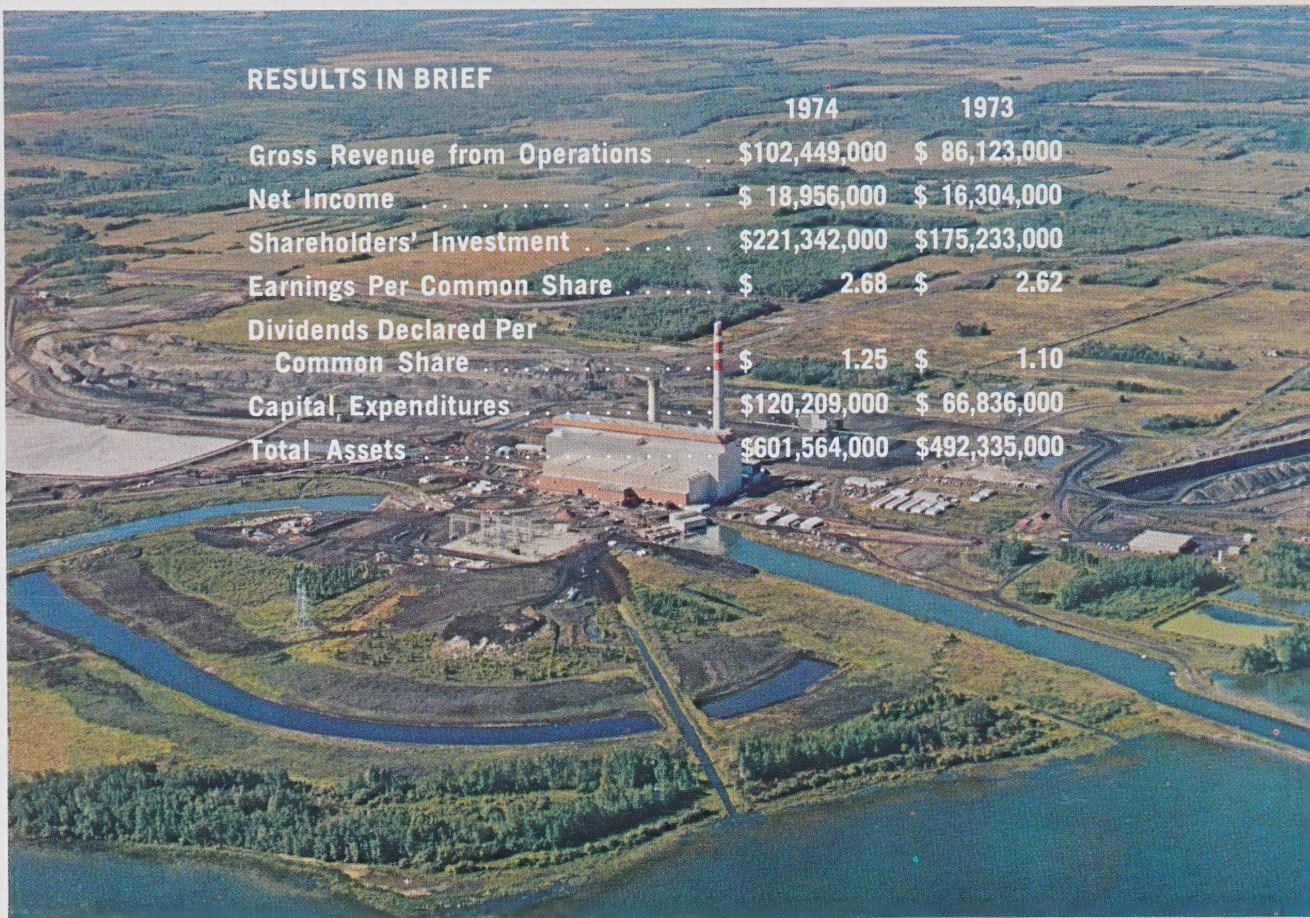


M. M. WILLIAMS  
Calgary, Alberta  
President



## RESULTS IN BRIEF

	1974	1973
Gross Revenue from Operations . . .	\$102,449,000	\$ 86,123,000
Net Income . . . . .	\$ 18,956,000	\$ 16,304,000
Shareholders' Investment . . . . .	\$221,342,000	\$175,233,000
Earnings Per Common Share . . . . .	\$ 2.68	\$ 2.62
Dividends Declared Per Common Share . . . . .	\$ 1.25	\$ 1.10
Capital Expenditures . . . . .	\$120,209,000	\$ 66,836,000
Total Assets . . . . .	\$601,564,000	\$492,335,000



Aerial view of the Sundance Thermal Plant beside Lake Wabamun.

## 1974 IN REVIEW

### REPORT TO THE SHAREHOLDERS

#### Outlook Favourable

While 1974 will be remembered as a year of problems - rapid inflation, high interest rates, material and labour shortages, soaring construction costs and a growing premonition of an approaching recessionary period - the Alberta economy continues to exhibit sustained growth despite a slowdown in the oil and gas industry. Under these conditions Calgary Power Ltd. recorded substantial gains in most phases of its operations and views its immediate business prospects optimistically.

### REVENUE, EXPENSES AND EARNINGS

#### Dividend Increased

Gross revenue from operations in 1974 was \$102.4 million, an increase of \$16.3 million or 19.0% above 1973 revenue. Additional electrical load accounted for about 40% of the increase and the balance resulted from rate increases approved by the Public Utilities Board.

Consolidated operating expenses, depreciation and income and other taxes totalled \$69.7 million, up \$13.1 million over 1973. Income tax amounted to \$14.5 million, an increase of \$4.7 million over 1973, some 95% of which is returned to customers under the income tax rebate program in Alberta. Higher rates and increased borrowings resulted in interest charges being 15.5% higher than in 1973. Despite higher costs during the year earnings applicable to common shares were \$0.5 million above 1973. Contributing to earnings was a non-recurring gain on sales of property of \$1.6 million arising from changes in the Company's service area and the relocation of certain transmission lines.

Earnings amounted to \$2.68 per common share including 29¢ of non-recurring gain from the property sales. This compares with \$2.62 per common share in 1973 which included 25¢ per share for the final period of income tax saving from the Company's coal mine operations. This increase in earnings was recorded in a year of considerable difficulty. Rapid inflation, high money costs and reduced growth together with the new 10% income tax surcharge retroactive to May 6, 1974 created a downward pressure on earnings.



In July the Company foresaw the impact of many of these factors on its business and took immediate steps through the regulatory process to correct the situation.

During 1974 three quarterly dividends of 30¢ and one of 35¢, a total of \$1.25, were declared on each outstanding common share. The balance of \$1.43 per share, amounting to \$8.0 million, was retained for use in the business.

## OPERATIONS

### Energy Sales Increasing

The 1974-1975 winter system peak of 1,517,000 kilowatts occurred on January 9, 1975, an increase of 76,000 kilowatts over 1973-1974. The energy supplied by the Company's power system during 1974 was 8,631 million kilowatt-hours compared to 8,189 million kilowatt-hours in 1973, an increase of 5.4%. The average annual growth rate was 11.9% for the years 1969 to 1973 inclusive. This increase of 5.4% in 1974 reflects reduced energy sales to the oil and gas industry and abnormally mild weather that prevailed in the latter part of the year.

Growth was strong in the town retail and farm categories with energy sales showing increases of 11.7% and 10.8% respectively over 1973.

The widespread interest in Alberta's energy resources has resulted in an unprecedented level



Typical view of coal seams at the Whitewood Mine which supplies the Wabamun Thermal Plant.



A similar dragline having a capacity of 60 cubic yards and a boom length of 350 feet is on order for the Highvale Mine supplying Sundance.

of inquiries regarding power supply for proposed industrial projects. While various constraints will influence the type and rate of industrial development, a very significant growth in new industrial load is anticipated in the next few years.

A new wholesale electric power supply agreement was entered into with the City of Lethbridge under which the Company will supply the entire City load.

Programs were initiated to assist customers in the selection and efficient utilization of electrical equipment as part of the Company's continuing concern for the wise use of energy resources.



## CAPITAL PROGRAM

### \$120.2 Million of New Facilities Added

Over the past five years capital expenditures for new plant and equipment aggregated \$353.0 million. In 1974 such expenditures reached an all-time high of \$120.2 million.

The 1974 capital expenditures program included \$83.4 million for construction of generating plant. Major projects consisted of continued construction of the third and fourth generating units (\$46.3 million) and the cooling pond (\$11.7 million) at the Sundance Steam Electric Plant and electrostatic precipitators to remove particulate matter from exhaust gases at the Wabamun Steam Electric Plant (\$8.5 million). In addition, the 1974 program included \$27.6 million for expansion of transmission, substation and distribution facilities.

Compared to prior years, the 1975 capital expenditures program is expected to be relatively large. Construction of the electrostatic precipitators at the Wabamun Plant and the third generating unit and the cooling pond at the Sundance Plant should be completed. Work will continue on the fourth generating unit at the Sundance Plant as well as on general system expansion and improvements and a start will be made on the fifth generating unit at Sundance.

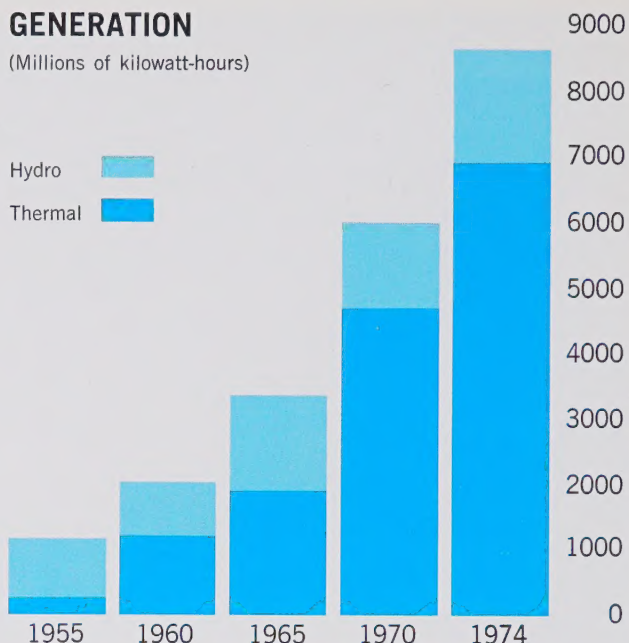
In common with others carrying out major construction projects, the Company is confronted with rapid escalation of costs on expansion of generating plant that are considerably in excess of the high inflation generally prevalent in the economy. The prices of equipment, materials and supplies have risen sharply but it appears that the very high cost of on-site labour has tended to aggravate the situation to a considerable extent.



The Peace River at Dunvegan, site of studies to determine the feasibility of a hydro-electric development.

## GENERATION

(Millions of kilowatt-hours)



## FINANCING

### Record Financing Plan Undertaken

The expansion of facilities to supply increased load, expenditures for environmental control and the elimination of deferred income tax as a source of funds resulted in an unprecedented need to raise external capital. During March the Company issued \$30 million First Mortgage Bonds 9 $\frac{1}{8}$ % Series due 1994 and \$11.5 million 8 $\frac{3}{4}$ % Series due 1981. \$11 million 11 $\frac{1}{8}$ % Medium Term Secured Debentures (five years retractable to two years) were issued in September. Additional financing arrangements were made in the United Kingdom and in the United States of America under export credit facilities with respect to certain major equipment purchased in those countries. Lines of credit aggregating \$31 million were obtained which can be drawn down over several years as construction continues at the Sundance Plant.

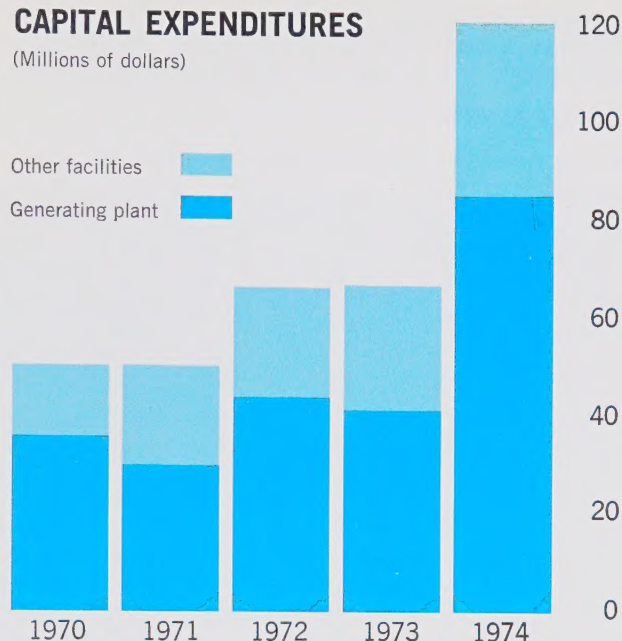
To satisfy the need for additional equity in its capital structure, the Company made an offering of Common Shares in October to existing holders of Common Shares on a rights basis. The offering was fully subscribed and 557,929 new shares were issued thereby raising approximately \$9 million. During December the Company offered \$30 million 10% First Preferred Shares for which payment was received early in January, 1975. This completed a year in which the Company raised a record total of \$91.5 million from external capital markets and also obtained export credits in the amount of \$31 million. Your directors believe that these financings were completed on advantageous terms and that financial markets generally were receptive to the Company's securities. This continued support by investors is gratifying and appreciated.

To permit holders of Common Shares of the Company to consider certain provisions of The Income Tax Act (Canada) which may be advan-



## CAPITAL EXPENDITURES

(Millions of dollars)



tageous and in accordance with the practice of other public companies, the directors have passed a by-law designating such Common Shares as Class "A" and Class "B" shares. This by-law will be submitted for ratification at the annual meeting.

During the year the Company's shares were listed for the first time on The Alberta Stock Exchange, supplementing existing listings on the Toronto and Montreal stock exchanges.

## ENVIRONMENT

### Environment Protected but at High Cost

The Company is taking positive steps to minimize the impact of its operations on the environment while meeting its obligation to supply reliably and at reasonable cost the ever-growing need for electric energy. Over \$80 million will be expended on environmental controls associated with generation facilities in operation and under construction. Since these controls provide no additional revenue, the capital so invested has to be serviced from higher rates paid by electric power customers.

The Company makes an assessment of the effect on the environment of all its proposed generating and transmission projects and establishes comprehensive systems of surveillance to ensure that environmental goals are achieved and maintained.

Some current environmental activities include:

- an on-going program to reclaim land disturbed by surface mining operations supplying coal to the Wabamun and Sundance plants;
- biological studies of the effect of warm water discharged from the Wabamun Plant on aquatic weeds and fish life; and
- a three year research project by the Depart-

ment of Agriculture (Alberta) with the co-operation of the Company to investigate the feasibility of using warm cooling-water discharged from a thermal electric generating plant to produce horticultural crops.

The Company's hydro plants contribute significantly towards abatement of pollution of the North Saskatchewan and Bow rivers. Water stored in reservoirs from the spring and summer runoff is released during the period of low natural flow in winter. In addition to providing water for communities, industry and others, the dilution of industrial and municipal wastes by this additional water is an important factor in preventing serious pollution problems to downstream users in winter months.

## RATE REGULATION

### Further Rate Increase Necessary

In this time of severe inflation most areas of the Company's operations are affected. After implementing all possible economies the Company is obliged to apply for increased rates as required to maintain a strong financial position thereby enabling the necessary expansion of its business.

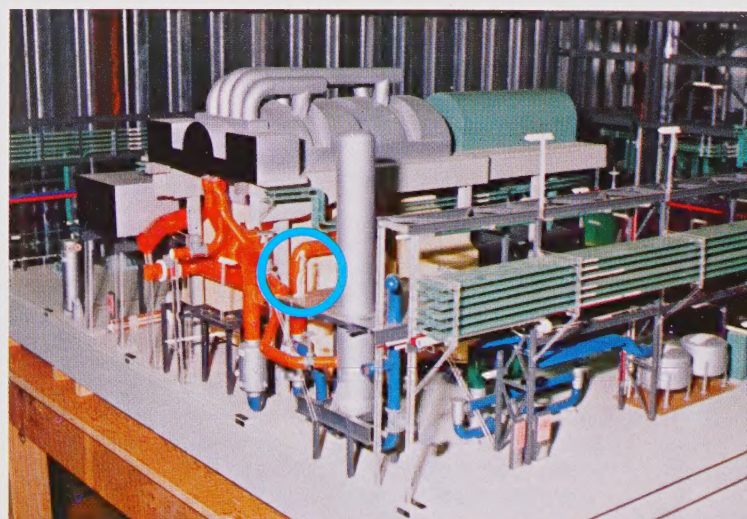
In 1974 decisions of the Public Utilities Board (Alberta) allowed the Company to charge rates that were approximately 20.5% higher than in 1972. Late in the year the Company made application to the Board for a further rate increase of 17.6% above the rates approved for 1974. These rates have been approved on an interim basis with the hearing scheduled to continue early in March, 1975.

Rate regulation is discussed in further detail on page 18.

## ENERGY RESOURCE MANAGEMENT

### Stable Fuel Costs and Adequate Supply

In light of spiraling world oil prices and the cost of natural gas following a similar pattern, it is evident that the Company made a prudent decision in the 1950's to use coal as the primary fuel



Scale model of turbo-generator and associated equipment being added to the Sundance Plant. Proportions are indicated by man in circle. Actual length is 116 feet.



for its steam electric generating plants which were about to be built to supplement power supply from its hydro-electric plants. In sharp contrast to the enormous fuel supply problems being experienced by many electric utilities today, the Company, through ownership or control of extensive coal rights, has an assured quantity of low cost fuel at relatively stable prices to meet the long term needs of the Wabamun and Sundance plants.

On a continuous basis the Company plans future generation, transmission and distribution facilities to meet growing electric energy requirements within its service area. In addition, the Company is a member of the Electric Utility Planning Council which studies future generation and transmission in Alberta. A 1973 report issued by the Council recommended that the next addition of generating facilities to the Company's system should be a fifth unit at the Sundance Plant. Following a hearing, the Energy Resources Conservation Board (Alberta) approved this unit which will have a net capability of about 352,000 kilowatts.

In 1974 the Council recommended that the next major plant to be developed in the Province should be a coal-fueled thermal electric plant in the Dodds area, about 35 miles southeast of Edmonton, where the Company holds substantial coal reserves. However, the Company postponed applying for approval to construct the Dodds Plant when it became apparent that satisfactory documentation concerning a number of environmental and reclamation questions could not be provided without a further period of intensive study. With insufficient time remaining to build the first generating unit at the Dodds Plant to serve expected power demand, the Company applied to the Energy Resources Conservation Board for approval to construct a sixth generating unit at the Sundance Plant, since matters regarding cooling water and fuel for this additional unit were now largely resolved. The Sundance Plant would then become one of the largest in Canada with a net capability of about 1,980,000 kilowatts.

The Company has approval from the Energy Resources Conservation Board to construct a 240,000-volt tie line with the British Columbia Hydro and Power Authority system in the southwest corner of Alberta. Because of changes now proposed within the B.C. Hydro system it may be desirable to construct such a tie at 500,000 volts. Pending further assessment of the costs and benefits of the higher voltage tie the Company has deferred temporarily the construction of the 240,000-volt line.

Because of its extensive experience with similar projects in Alberta, the Company has been engaged by the Department of the Environment (Alberta) to provide feasibility studies of a hydro-electric site near Dunvegan on the Peace River in northwestern Alberta.

In co-operation with the Canadian Government and approximately 20 other electric utilities

across Canada the Company is participating in a research and development program implemented through the Canadian Electrical Association.

## ORGANIZATION

At the annual meeting on May 9, 1974, Mr. E. J. Chambers, Q.C., a director of the Company since 1954 and former Vice-President and General Counsel, did not stand for re-election to the Board. The directors and management are indebted to Mr. Chambers for the many contributions he made to the affairs of the Company over the years. Mr. D. D. Duncan, Q.C. was newly elected to the Board at that meeting.

It is with deep regret that your directors record the death on January 29, 1975 of Mr. E. R. Alexander, a director of the Company since 1965. Mr. Alexander brought to the Board's deliberations not only broad experience in finance but a keen awareness of the business scene and his wise counsel will be greatly missed. Mr. W. J. McCarthy was appointed to complete the unexpired term of the late Mr. E. R. Alexander.

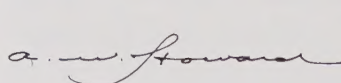
After more than 46 years of service with the Company, Mr. W. A. Sharman retired as Secretary on November 30, 1974 and was succeeded in that position by Mr. J. W. Newby.

Staff organization is continually under review to ensure that it is structured to cope efficiently with corporate growth and everchanging business requirements. In-house training programs are being developed and expanded. The Company continues to support the efforts of its employees to improve their skills through special seminars and outside education courses.

The Company's retirement pension plan was revised effective January 1, 1975. It provides increased pensions to retiring employees, a partial cost of living adjustment and more liberal early retirement provisions. As a result, the unfunded liability for past service has increased to approximately \$6.4 million which is being amortized over a period of 15 years.

Employee involvement in community affairs, public relations programs and support by the Company of social services and educational and cultural activities all continue to contribute to the favourable image which the Company enjoys in its service area and the Province generally. The success of the Company depends to a large extent upon the dedication, resourcefulness and skills of the management and staff. It is a pleasure to acknowledge their efforts.

Submitted on behalf of the Board of Directors.



A. W. Howard  
Chairman of the Board  
and Chief Executive Officer



M. M. Williams  
President

February 20, 1975



## FINANCIAL STATEMENTS



Calgary Power Ltd., listed on the Alberta Stock Exchange. (Left to right: W. R. Fulton, Chairman of the Exchange, A. W. Howard and Premier Lougheed.)



# **ASSETS**

	1974	1973
	(Thousands of Dollars)	
<b>PROPERTY ACCOUNT:</b>		
Land, buildings, plant and equipment at cost (Note 1) . . . . .	\$721,217	\$602,061
Less accumulated depreciation . . . . .	143,083	126,425
	<u>578,134</u>	<u>475,636</u>
 <b>INVESTMENTS—at cost</b> . . . . .	 <u>—</u>	 <u>144</u>
 <b>CURRENT:</b>		
Cash . . . . .	151	30
Accounts receivable . . . . .	10,944	8,855
Materials and supplies at average cost . . . . .	5,901	3,271
Prepaid expenses . . . . .	648	265
	<u>17,644</u>	<u>12,421</u>
 <b>DEFERRED CHARGES:</b>		
Financing costs less amortization . . . . .	5,586	3,727
Other . . . . .	200	407
	<u>5,786</u>	<u>4,134</u>
	 <u>\$601,564</u>	 <u>\$492,335</u>

(See accompanying summary of accounting policies and notes)



# ALANCE SHEET

December 31, 1974 and 1973

## LIABILITIES

	1974	1973
	(Thousands of Dollars)	
<b>SHAREHOLDERS' EQUITY:</b>		
Common shares . . . . .	\$ 23,988	\$ 14,995
Contributed surplus . . . . .	67	7
Reserve for rate adjustments (Note 2) . . . . .	2,363	3,000
Retained earnings . . . . .	107,367	99,208
Total common shareholders' equity . . . . .	133,785	117,210
Preferred shares . . . . .	87,557	58,023
Total shareholders' equity . . . . .	221,342	175,233
 <b>LONG TERM DEBT . . . . .</b>	 <b>255,197</b>	 <b>213,723</b>
 <b>CURRENT:</b>		
Bank loan and short term notes . . . . .	11,405	4,405
Accounts payable and accrued charges . . . . .	24,624	12,968
Income and other taxes payable . . . . .	5,398	10,421
Dividends payable . . . . .	3,088	2,151
Accrued interest on long term debt . . . . .	3,689	2,661
Consumers' deposits . . . . .	347	355
Current portion of long term debt . . . . .	12,929	9,895
	61,480	42,856
 <b>DEFERRED CREDITS:</b>		
Deferred income taxes . . . . .	42,016	42,274
Customer and other contributions . . . . .	21,529	18,249
	63,545	60,523
 On behalf of the Board:		
A. W. HOWARD, Director		
ALAN S. GORDON, Director		
	\$601,564	\$492,335

(See accompanying summary of accounting policies and notes)



**CALGARY POWER LTD.****CONSOLIDATED STATEMENT OF INCOME**

Years ended December 31, 1974 and 1973

	1974	1973
	(Thousands of Dollars)	
Gross revenue from operations (Note 3) . . . . .	<u>\$102,449</u>	<u>\$ 86,123</u>
Operating deductions:		
Operating expenses . . . . .	33,875	28,766
Taxes, other than taxes on income . . . . .	4,263	3,543
Depreciation . . . . .	17,058	14,490
Taxes on income . . . . .	14,495	9,840
	<u>69,691</u>	<u>56,639</u>
Operating income . . . . .	32,758	29,484
Allowance for funds used during construction . . . . .	4,142	3,760
Income before interest charges and extraordinary item . . . . .	<u>36,900</u>	<u>33,244</u>
Interest charges:		
Interest on first mortgage bonds . . . . .	10,550	8,065
Interest on other long term debt . . . . .	8,221	7,801
Other interest (net) . . . . .	801	1,074
	<u>19,572</u>	<u>16,940</u>
Net income before extraordinary item . . . . .	17,328	16,304
Gain on sale of property (Note 1) . . . . .	1,628	—
Net income for the year . . . . .	18,956	16,304
Dividends on preferred shares . . . . .	3,829	1,695
Earnings applicable to common shares . . . . .	<u>\$ 15,127</u>	<u>\$ 14,609</u>
Earnings per common share:		
On average shares actually outstanding		
Before extraordinary item . . . . .	\$2.39	\$2.62
Gain on sale of property . . . . .	.29	—
Total earnings per share . . . . .	<u>\$2.68</u>	<u>\$2.62</u>
Fully diluted—assuming conversion of the		
5.40% convertible first preferred shares		
Before extraordinary item . . . . .	\$2.37	\$2.59
Gain on sale of property . . . . .	.28	—
Total earnings per share . . . . .	<u>\$2.65</u>	<u>\$2.59</u>

**CONSOLIDATED STATEMENT OF EARNINGS  
RETAINED FOR USE IN THE BUSINESS**

Years ended December 31, 1974 and 1973

	1974	1973
	(Thousands of Dollars)	
Balance at beginning of year . . . . .	<u>\$ 99,208</u>	<u>\$ 90,735</u>
Net income for the year . . . . .	18,956	16,304
Transfer from reserve for rate adjustments (Note 2) . . . . .	200	—
	<u>118,364</u>	<u>107,039</u>
Deduct:		
Dividends—		
Preferred shares . . . . .	3,829	1,695
Common shares . . . . .	7,168	6,136
	<u>10,997</u>	<u>7,831</u>
Balance at end of year . . . . .	<u>\$107,367</u>	<u>\$ 99,208</u>

(See accompanying summary of accounting policies and notes)



## CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

Years ended December 31, 1974 and 1973

1974

1973

(Thousands of Dollars)

### SOURCE OF FUNDS

#### From operations:

Net income for the year . . . . .	\$ 18,956	\$ 16,304
Add items not involving funds—		
Depreciation . . . . .	17,058	14,490
	<u>36,014</u>	<u>30,794</u>
Issue of Common Shares . . . . .	8,993	—
Issue of First Preferred Shares . . . . .	30,000	40,000
Issue of Long Term Debt:		
First Mortgage Bonds . . . . .	41,500	—
Notes Payable—Secured . . . . .	3,040	1,699
Secured Debentures . . . . .	11,075	542
Notes Payable—Other . . . . .	—	170
Sundry Indebtedness . . . . .	463	454
Other . . . . .	1,790	3,343
	<u>\$132,875</u>	<u>\$ 77,002</u>

### APPLICATION OF FUNDS

#### Capital expenditures:

Production . . . . .	\$ 56,949	\$ 33,723
Environmental . . . . .	26,416	6,786
Transmission . . . . .	10,079	5,864
Substations . . . . .	5,393	3,856
Distribution . . . . .	12,156	11,981
Other . . . . .	9,216	4,626
	<u>120,209</u>	<u>66,836</u>

#### Dividends:

Preferred shares . . . . .	3,829	1,695
Common shares . . . . .	7,168	6,136
Reduction of Preferred Shares . . . . .	466	22
Retirement of Long Term Debt . . . . .	11,570	3,156
Decrease (increase) in bank and other short term loans . . . . .	(7,000)	12,070
Increase in working capital deficiency exclusive of changes in bank and other short term loans and current portion of long term debt . . . . .	(3,367)	(12,913)
	<u>\$132,875</u>	<u>\$ 77,002</u>

(See accompanying summary of accounting policies and notes)



# CALGARY POWER LTD.

## STATEMENT OF LONG TERM DEBT

December 31, 1974 and 1973

	1974	1973
	(Thousands of dollars)	
First Mortgage Bonds . . . . .	\$155,122	\$118,122
Notes Payable—Secured . . . . .	14,766	13,080
Secured Debentures . . . . .	74,761	69,007
Notes Payable—Other . . . . .	15,840	15,910
Sundry Indebtedness . . . . .	7,637	7,499
	<u>268,126</u>	<u>223,618</u>
Less current portion . . . . .	<u>12,929</u>	<u>9,895</u>
	<u>\$255,197</u>	<u>\$213,723</u>

### First Mortgage Bonds

7¾% Series due 1974 . . .	\$ —	\$ 1,000
7¾% Series due 1975 . . .	2,000	3,000
4½% Series due 1976 . . .	3,300	3,300
7¾% Series due 1976 . . .	3,000	3,000
8¼% Series due 1976 . . .	—	2,500
5½% Series due 1977 . . .	6,997	6,997
8¼% Series due 1977 . . .	2,500	2,500
5½% Series due 1978 . . .	3,700	3,700
7.80% Series due 1978 . . .	5,000	5,000
4 % Series due 1979 . . .	3,165	3,165
5¾% Series due 1981 . . .	9,400	9,400
8¾% Series due 1981 . . .	11,500	—
5¾% Series due 1982 . . .	8,000	8,000
5¾% Series due 1983 . . .	9,000	9,000
5½% Series due 1984 . . .	7,000	7,000
6 % Series due 1985 . . .	8,560	8,560
7½% Series due 1988 . . .	12,000	12,000
7½% Series due 1989 . . .	5,000	5,000
8½% Series due 1993 . . .	25,000	25,000
9½% Series due 1994 . . .	30,000	—
	<u>\$155,122</u>	<u>\$118,122</u>

The First Mortgage Bonds are secured by a first and specific mortgage and charge upon certain of the Company's lands, buildings, plant and equipment and by a first floating charge upon all other assets situated in the Province of Alberta.

The Trust Deed securing the issues provides for a sinking fund for the retirement of First Mortgage Bonds payable on September 1 each year of 1% of the original principal amount of First Mortgage Bonds previously issued.

	1974	1973
	(Thousands of dollars)	
<b>Notes Payable—Secured</b>		
5½% and 6% Series due 1974 to 1982 (Payable in sterling —£4,916,000; 1973—£4,458,000) . . . . .	\$12,143	\$11,212
6% and 7% Series due 1978 to 1982 (payable in U.S. dollars —\$2,648,000; 1973—\$1,881,000) . . . . .	2,623	1,868
	<u>\$14,766</u>	<u>\$13,080</u>

These notes have no authorized limit, are fully secured by First Mortgage Bonds and have been stated in Canadian funds at the rate of exchange prevailing at the date of issue.

### Secured Debentures

Series A—maturing one to five years at interest rates varying from 6¾% to 11½%

	1974	1973
	(Thousands of dollars)	
Due 1974 . . . . .	\$ —	\$ 5,121
Due 1975 . . . . .	7,103	7,103
Due 1976 . . . . .	1,235	235
Due 1977 . . . . .	1,006	1,006
Due 1978 . . . . .	542	542
Due 1979 . . . . .	10,075	—
	<u>19,961</u>	<u>14,007</u>

Series B—9¾% Due 1990 .	19,800	20,000
Series C—8 % Due 1992 .	25,000	25,000
Series D—7½% Due 1978 .	3,000	3,000
—7¾% Due 1980 .	7,000	7,000
	<u>\$74,761</u>	<u>\$69,007</u>

The Debentures are secured by a floating charge on the property and assets of the Company subject to the first and specific mortgage and charge and first floating charge securing the First Mortgage Bonds. The Trust Indenture securing the issues provides for sinking funds for the retirement of certain series at varying rates.

	1974	1973
	(Thousands of dollars)	
<b>Notes Payable—Other</b>		
1975 . . . . .	\$ —	\$ 3,550
1976 . . . . .	3,410	3,410
1977 . . . . .	2,910	2,910
1978 . . . . .	3,370	3,370
1979 . . . . .	2,670	2,670
1980 . . . . .	3,480	—
	<u>\$15,840</u>	<u>\$15,910</u>

These notes, which are unsecured and have no authorized limit bear interest, determined at June 30 and December 31 of each year, at the greater of the prevailing prime bank interest rate or the five year bank term deposit rate (11% at December 31, 1974) and mature December 31 in each year. These amounts are payable to rural electrification co-operative associations through their agent Farm Electric Services Ltd. and represent a portion of funds contributed by members of these associations which have been invested with the approval of the Alberta Director of Co-operative Activities.

### Annual Requirements

The annual requirement for sinking fund and for repayment of maturing issues of currently outstanding long term debt for each of the following years is:

Year ended Dec. 31	Annual Requirement (Thousands of dollars)	
	Sinking Fund	Maturing Issues
1975 . . . . .	\$ 1,709	\$11,220
1976 . . . . .	2,997	13,256
1977 . . . . .	2,997	16,934
1978 . . . . .	2,997	18,572
1979 . . . . .	2,997	17,825

The requirements shown for maturing issues will be reduced to the extent of purchases of these issues for sinking fund purposes. Sinking fund requirements for 1975 of \$2,997,000 have been reduced by bonds purchased and cancelled in the amount of \$1,288,000.

(See accompanying summary of accounting policies and notes)



# STATEMENT OF CAPITAL STOCK

December 31, 1974 and 1973

	1974	1973
	(Thousands of dollars)	
Common Shares of no par value		
Authorized — 10,000,000 shares		
Issued — 6,137,955 shares (1973—5,578,031 shares)	\$23,988	\$14,995
First Preferred Shares of \$100 each		
Authorized — 1,000,000 shares		
Issued — cumulative redeemable shares		
49,890 4 % Series	\$ 4,989	\$ 5,000
29,685 4½% Series	2,968	3,000
39,675 5 % Series	3,968	3,978
59,790 5.4% Series	5,979	6,045
146,535 7 % Series	14,653	15,000
250,000 7½% Series	25,000	25,000
300,000 10 % Series (See below)	30,000	—
	<u>\$87,557</u>	<u>\$58,023</u>
Second Preferred Shares of \$25 each		
Authorized — 3,000,000 shares		
Issued — Nil	\$ —	\$ —

During the year the Company issued to the holders of its outstanding Common Shares rights to purchase from the Company, at a price of \$16.00 per share, one Common Share for each ten Common Shares then held resulting in the issue of 557,929 Common Shares for a cash consideration of \$8,926,864. Also during the year 1,995 Common Shares were issued on conversion of 665 5.40% First Preferred Shares. The remaining outstanding preferred shares of 5.40% Series are convertible into three Common Shares for each preferred share converted up to and including November 30, 1976 and 179,370 Common Shares were reserved at December 31, 1974 for such conversion.

Pursuant to an Underwriting Agreement dated November 29, 1974 the Company issued, on January 6, 1975, 300,000 10% First Preferred Shares of a par value of \$100 per share for a net cash consideration of \$29,100,000. At December 31, 1974, these shares have been shown as issued capital and the net proceeds have been applied to reduce bank loans and short term notes.

Each series of First Preferred Shares is cumulative and redeemable at the option of the Company at par together with a premium not in excess of the annual dividend applicable to such series.

The 7% Series and 7½% Series have attached thereto non-cumulative purchase funds requiring the Company to set aside in each calendar year, commencing in 1974 for the 7% Series and 1975 for the 7½% Series, 2% of the original issued par value of each series. The 10% Series has attached thereto a cumulative sinking fund requiring the Company to redeem on May 15, 1976 and each year thereafter 12,000 shares at par plus accrued dividends to the date of redemption.

During the year the Company purchased for cancellation on the open market 3,465 7% First Preferred Shares to meet the 1974 purchase fund requirement attached to such series and also purchased 525 First Preferred Shares of certain other series. The excess of the par value of the shares purchased over the cost thereof amounted to \$59,856 and is included in contributed surplus.

(See accompanying summary of accounting policies and notes)

## AUDITORS' REPORT

To the Shareholders of  
Calgary Power Ltd.

We have examined the consolidated balance sheet of Calgary Power Ltd. and its subsidiaries and the consolidated statements of long term debt and capital stock as at December 31, 1974 and the consolidated statements of income, retained earnings and changes in financial position for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at December 31, 1974 and the results of their operations and the changes in their financial position for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Calgary, Canada  
February 7, 1975

CLARKSON, GORDON & CO.,  
Chartered Accountants.



## **CALGARY POWER LTD.**

### **SUMMARY OF ACCOUNTING POLICIES**

The following is a summary of the companies' major accounting policies.

#### **Regulation**

The Company, which is engaged in the production and sale of electrical energy in the Province of Alberta, is regulated by the Energy Resources Conservation Board pursuant to The Hydro and Electric Energy Act, Alberta and by the Public Utilities Board pursuant to Part II of The Public Utilities Board Act, Alberta. The Company and its hydro operations are also subject to The Provincial Water Power Regulations (Alberta). These acts and regulations cover such matters as rates, construction, operations and accounting.

#### **Principles of Consolidation**

The consolidated financial statements include the accounts of the Company and its subsidiaries, Kanelk Transmission Company Limited, Western Fly Ash Ltd. and Farm Electric Services Ltd. and its inactive subsidiaries, The Alberta Southern Coal Company Ltd. and The Calgary Water Power Company, Limited.

Kanelk Transmission Company Limited owns transmission facilities extending from the Company's hydro-electric plants on the Kananaskis River through British Columbia to the Crowsnest Pass in southern Alberta. Western Fly Ash Ltd. processes and distributes fly ash gathered at the Wabamun Steam Electric Plant. Farm Electric Services Ltd. is a non-profit organization which organizes, constructs, operates and maintains, at cost, electric distribution systems owned by farmers' co-operative associations.

#### **Taxes on Income**

In a decision dated September 18, 1973 the Public Utilities Board (Alberta) ruled that the Company would be permitted to claim as an expense for rate making purposes only income taxes actually paid. Accordingly, with effect from January 1, 1973, the Company ceased claiming for income tax purposes depreciation and other expenses which would result in the deferral of income tax payments to future years.

Deferred income taxes were restated in 1974 to reflect reassessments and other adjustments of prior years' income taxes which had no effect on net incomes previously reported.

#### **Allowance for Funds Used During Construction**

An allowance for funds used during construction is capitalized at the Company's average after tax cost of capital and is included in the property account.

#### **Customer and Other Contributions**

This account consists of contributions towards the cost of construction of capital facilities and service connections including \$5,075,000 received from the Province of Alberta towards the cost of construction of the Bighorn Storage and Power Development Project completed in 1972. The balance in the account is amortized on a 3% straight line basis as a reduction of depreciation expense.

#### **Financing Costs**

Costs of financing are amortized by charges to expense as follows:

Debt issues — over the remainder of the original life of the respective issues.

Equity issues — over the lesser of 30 years or the estimated life of the issue.

Gains or losses realized on the purchase of Company debt for sinking fund purposes are amortized over the remaining life of the issue.

These policies are in accordance with the method of determining the Company's cost of capital for regulatory purposes.

#### **Depreciation**

The Company provides for depreciation on a straight line basis calculated, using various rates including 2.1% on hydro and 3.3% on thermal plants. These various rates were set by the Public Utilities Board (Alberta) based on a depreciation study prepared by the Company and resulted in a 1974 composite rate of 3.09% (1973—3.06%). This study included depreciation estimates based on the probable physical and economic service life characteristics and net salvage of the Company's assets using the straight line method.



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1974

## 1. Property Account

The land, buildings, plant and equipment are carried at cost and include property under construction of \$109,189,000 (\$26,688,000 in 1973).

In prior years, the Company reflected gains or losses on the disposition of properties as adjustments to accumulated depreciation. As a result of changes in The Provincial Water Power Regulations (Alberta) such gains are now reflected in the income account. During the year ended December 31, 1974, the Company sold certain property as a result of changes in its electric service area and sold certain land as a result of relocation of transmission lines. The resulting gain of \$1,628,000 (after income taxes of \$126,000) is included as a non-recurring gain in the income account. There were no similar gains or losses in 1973.

## 2. Reserve for Rate Adjustments

This reserve arose out of a three year income tax saving derived from the Company's coal mining operation at the Whitewood Coal Mine near Wabamun.

Commencing in 1974, the balance in this reserve is being amortized to retained earnings at the rate of \$200,000 per annum and the unamortized portion is being treated for rate making purposes as an interest free source of capital. During the year ended December 31, 1974 as directed by the Public Utilities Board (Alberta), rate hearing costs in the amount of \$437,000 (after income tax) have been charged to the reserve. In accordance with the Company's submission to the Board, re-assessments, if any, of the three year income tax exemption on the Highvale Coal Mine will also be charged to this reserve.

## 3. Rates for Service

On October 15, 1974 the Company filed Notice of Application for a redetermination of its rate of return and revenue levels. The Board has granted an interim rate increase as set out in the rate schedules which provide for an overall average rate increase of 17.6% effective for billings on and after January 1, 1975 for consumption on and after December 1, 1974. The interim rates resulted in increased revenues of approximately \$820,000 to December 31, 1974 and the hearing for a final order on these rates has been scheduled to commence in March, 1975.

## 4. Pension Plan

The Company has a retirement pension fund covering substantially all employees. Based on actuarial advice an unfunded past service obligation of approximately \$2,000,000 at January 1, 1974 is being funded and charged to operations in annual amounts of \$207,000.

## 5. Directors and Officers

The Board of Directors consists of eleven directors of whom two are officers of the Company. The aggregate remuneration paid during 1974 by the Company to the directors as directors was \$17,367 and to the nine officers as officers was \$209,855 (1973—\$13,100 and \$180,880 respectively). In addition, the Company paid \$98,557 (1973—\$88,311) indirectly for the services of certain of the officers and directors.

## 6. Subsequent Events

Pursuant to an Underwriting Agreement dated February 7, 1975 the Company has agreed to issue and sell \$60,000,000 principal amount of 25 year 10½% Secured Sinking Fund Debentures, Series E in connection with the financing of its capital program.

The Company has also made financing arrangements to issue up to approximately \$15,000,000 of 6% sterling Notes Payable—Secured and \$15,988,000 of 7% U.S. Notes Payable—Secured in connection with the financing of the Sundance Steam Electric Plant expansion and certain coal mining machinery.



# CALGARY POWER LTD.

# CONSOLIDATED

	1974	1973	1972
<b>Financial Record</b> (Thousands of dollars)			
Gross revenue from operations			
Residential, general service and small industry . . .	\$ 27,463	22,805	18,345
Industry . . . . .	37,468	32,224	24,975
Cities and towns under wholesale contracts . . . .	24,982	20,736	17,395
Farms . . . . .	10,290	8,707	7,756
Total electrical . . . . .	\$100,203	84,472	68,471
Other revenue . . . . .	2,246	1,651	1,555
Gross revenue from operations . . . . .	\$102,449	86,123	70,026
Operating deductions			
Operating expenses . . . . .	\$ 33,875	28,766	23,295
Taxes, other than taxes on income . . . . .	4,263	3,543	3,365
Depreciation . . . . .	17,058	14,490	13,100
Taxes on income . . . . .	14,495	9,840	5,450
	\$ 69,691	56,639	45,210
Operating income . . . . .	\$ 32,758	29,484	24,816
Allowance for funds used during construction . . .	4,142	3,760	3,718
Income before interest charges . . . . .	\$ 36,900	33,244	28,534
Interest charges:			
Interest on first mortgage bonds . . . . .	\$ 10,550	8,065	7,437
Interest on other long term debt . . . . .	8,221	7,801	6,491
Other interest (net) . . . . .	801	1,074	467
	\$ 19,572	16,940	14,395
Net income before extraordinary item . . . . .	\$ 17,328	16,304	14,139
Gain on sale of property . . . . .	1,628	—	—
Net income for the year . . . . .	\$ 18,956	16,304	14,139
Dividends on preferred shares . . . . .	3,829	1,695	862
	\$ 15,127	14,609	13,277
Appropriations to reserve for rate adjustments . . .	—	—	—
Earnings applicable to common shares . . . . .	\$ 15,127	14,609	13,277
Earnings per common share (2) . . . . .	\$ 2.68 <sup>(3)</sup>	2.62	2.38
Dividends per common share . . . . .	\$ 1.25	1.10	1.00
Total shareholders' investment (4) . . . . .	\$221,342	175,233	123,775
<b>Statistical Record</b>			
KWH Sales (Millions)			
Residential, general service and small industry . .	1,029	921	813
Industry . . . . .	3,122	3,069	2,648
Cities and towns under wholesale contracts . . . .	3,270	2,914	2,741
Farms . . . . .	531	479	458
	7,952	7,383	6,660
Customers			
Served directly . . . . .	171,977	164,136	153,118
Served indirectly through wholesale contracts . . .	182,601	159,960	152,509
Generating capability (Net MW)			
Hydro . . . . .	800	800	800
Thermal . . . . .	1,141	1,141	855
Purchased . . . . .	—	—	—
	1,941	1,941	1,655
Total Assets (Thousands of dollars) . . . . .	\$601,564	492,335	438,976
Capitalization ratio (5)			
Long term debt . . . . .	53.5	55.0	64.1
Preferred shares . . . . .	18.4	14.9	5.2
Common shareholders' equity (4) . . . . .	28.1	30.1	30.7
	100.0	100.0	100.0

Note: (1) Excluding income tax savings from the coal mining operation.  
(2) 1965 adjusted to include interest charged to construction as income.  
(3) 1974 includes a non-recurring gain on sale of property of 29¢ per share.  
(4) Commencing 1973 includes contributed surplus and reserve for rate adjustments.  
(5) Restated to exclude current portion of long term debt due within one year.



# YEAR SUMMARY

1971	1970	1969	1968	1967	1966	1965
16,622	15,042	14,033	14,041	13,046	12,169	11,921
21,361	18,776	16,389	14,412	12,195	11,547	10,906
16,334	15,145	13,158	11,436	10,537	9,319	9,350
7,258	6,588	6,271	5,675	5,406	4,988	4,822
51,575	55,551	49,851	45,564	41,184	38,023	36,999
1,427	1,297	1,202	929	746	717	673
53,002	56,848	51,053	46,493	41,930	38,740	37,672
20,291	18,247	15,167	13,333	12,877	10,828	9,541
2,851	2,597	2,442	2,126	1,948	1,823	1,688
12,200	10,900	9,500	8,500	7,400	6,900	6,400
5,530	7,430	7,530	7,350	6,660	5,210	6,270
40,872	39,174	34,639	31,309	28,885	24,761	23,899
22,130	17,674	16,414	15,184	13,045	13,979	13,773
2,051	4,256	2,235	1,822	2,432	1,564	828
24,181	21,930	18,649	17,006	15,477	15,543	14,601
6,515	6,600	6,426	5,343	4,478	4,464	3,958
4,425	2,151	1,304	897	717	697	618
360	1,493	342	816	558	451	299
11,300	10,244	8,072	7,056	5,753	5,612	4,875
12,881	11,686	10,577	9,950	9,724	9,931	9,726
—	—	—	—	—	—	—
12,881	11,686	10,577	9,950	9,724	9,931	9,726
1,204	1,345	1,345	1,345	1,374	535	535
11,677	10,341	9,232	8,605	8,350	9,396	9,191
—	—	—	—	—	1,100	1,000
11,677	10,341	9,232	8,605	8,350	8,296	8,191
2.18	1.97	1.76	1.64	1.59	1.58(1)	1.56(1)
1.00	.85	.80	.80	.72½	.70	.65
16,076	109,745	103,866	98,834	94,429	89,885	70,264
718	636	597	608	555	508	475
2,242	1,957	1,735	1,441	1,219	1,148	1,039
2,482	2,336	1,998	1,669	1,510	1,347	1,186
424	379	359	321	303	277	257
5,866	5,308	4,689	4,039	3,587	3,280	2,957
46,193	139,925	135,161	140,244	136,837	133,517	131,970
44,833	137,004	140,283	123,324	116,724	113,744	110,866
680	680	680	680	680	490	490
855	855	569	569	283	283	283
5	5	5	5	11	11	11
1,540	1,540	1,254	1,254	974	784	784
77,313	339,558	297,617	270,179	247,032	224,580	202,287
59.8	59.3	56.2	55.6	54.2	52.6	58.4
6.3	10.0	11.4	12.1	13.1	14.2	7.1
33.9	30.7	32.4	32.3	32.7	33.2	34.5
100.0	100.0	100.0	100.0	100.0	100.0	100.0



# CALGARY POWER LTD.

## RATE REGULATION

The Company's rates are regulated by the Public Utilities Board (Alberta). Except upon questions of jurisdiction or of law, for which leave to appeal to the Appellate Division of the Supreme Court of Alberta may be obtained, orders and decisions of the Board are final.

The Company filed its first application for increased rates in 1972. Following hearings, the Board issued a decision on September 18, 1973 fixing a rate of return of 7.65% for 1974. This rate of return was based on embedded and prospective costs of debt and preferred shares together with an allowance of 12.5% on common shareholders' equity. The Board ruled that the Company would be permitted to claim as an expense only income tax actually paid. Accordingly, effective January 1, 1973 the Company ceased claiming depreciation and other expenses which would have resulted in the deferral of income tax payments to future years.

Interim rate increases were granted in 1973 and early 1974. On May 15, 1974 the Board ordered that the rates set out in the rate schedule filed by the Company on October 3, 1973 be fixed as just and reasonable rates to be imposed, observed and followed by the Company from and after April 1, 1974 with one minor exception. Although originally designed to be in effect for the full year 1974 these revised rates, which provided for 20.5% increase over the 1972 rates, did not become effective until April 1, 1974 and the Board left the matter of revenue deficiency during the early months of the year to be reviewed after the Company's financial statements became available. In view of earnings expectations the Company applied to the Board on August 2, 1974 for an earlier determination of this matter. Following a hearing on August 26, 1974 the Board affirmed

that a loss in the revenue requirement of approximately \$1 million as determined by the Company was due to undue delay in the hearing and determination of the application and approved a surcharge on rates to allow the Company to recover the loss in the latter months of 1974 commencing October 1.

During the August 1974 hearing the Company indicated that it would seek a redetermination of its rate of return and revenue levels. On October 15, 1974 the Company filed Notice of Application for such a redetermination. Following a hearing on November 12, 1974, the Board granted an interim rate increase as set out in the rate schedules filed by the Company on October 15, 1974. These rates provide for an overall average increase of 17.6% and are effective for billings on and after January 1, 1975 for consumption on and after December 1, 1974. Until a final order is issued the interim rates are subject to review by the Board and the Company shall refund to its customers such amounts collected under interim rates as the Board may direct. The hearing for a final order on these rates has been scheduled to commence in March, 1975. These new rates were intended to cover the projected cost of operation, depreciation, taxes and return including an allowance for common shareholders of 15% to 16% on common stock book equity for the year 1975.

The Company believes that utilization of forecasts regarding future years as the test of proposed rates and the use of interim rates to cover projected costs of service with consideration of increases in all costs including rate of return are important progressive features of the Alberta rate regulatory process under current conditions.



## THE COMPANY

Calgary Power Ltd., the largest investor-owned electric utility in Canada, provides electric service to one of the country's most prosperous and rapidly developing areas. The Company has been engaged in the production and distribution of electricity in the Province of Alberta since 1911. It supplies a diversified load within its service area of some 75,000 square miles from the international boundary on the south to approximately 115 miles north of Edmonton. Over 58% of Alberta's energy requirements and over half of the population of the Province are supplied by the Company.

In 1911 the Company completed its first generating plant, the Horseshoe Falls hydro-electric plant with a capacity of 13,900 kilowatts, to serve the City of Calgary and the Canada Cement Plant at Exshaw. Some communities had no electric power and others were supplied with high cost electricity from small isolated plants that operated only during specified hours of the day. During the latter part of the 1920's the Company began an expansion program to provide central station service 24 hours a day to these communities. This expansion program has continued over the years and the Company now supplies some 600 cities, towns, villages and hamlets, as well as farms and other customers in the surrounding rural areas. At the end of 1974 the Company served 172,000 customers directly and an additional 183,000 customers indirectly through wholesale power contracts.

The Company now owns and operates 13 hydro-electric plants and two steam electric plants with a total net generating capability of almost 2 million kilowatts, with another 1.4 million kilowatts under construction or approval for construction requested. This generating capability is made up of 800,000 kilowatts of hydro generation and the balance is thermal generation. Operations of the hydro and thermal generating units are combined to achieve minimum overall cost of energy. The large coal-fueled steam electric

units supply the base or continuous load, while the hydro-electric plants are operated mainly to supply the peak load and the balance of the energy requirements.

The decision was made in the early 1950's to use coal as the primary fuel for the Company's steam electric generating plants that were about to be built. The Company acquired major reserves of coal near Lake Wabamun and commenced development of the large power and coal mining complex in that area and the Wabamun Plant has proven to be one of the "lowest cost" thermal generating plants on the continent. In addition the Company has acquired further coal reserves for future thermal generating plants.

The Company's power system is highly automated. The 13 hydro-electric plants comprising 26 unattended generating units are operated remotely from a control centre 45 miles west of Calgary. The control centre handles load dispatching for all the generating plants, directs the operation of the main transmission system and has remote control of the majority of the switching points.

At the end of 1974 the Company owned approximately 20,000 miles of transmission and distribution lines. For efficiency and reliability the system is interconnected with all the other major power plants in Alberta and with the system of British Columbia Hydro and Power Authority.

At the end of 1974 staff positions including Farm Electric Services Ltd. totalled 1,644. In addition the Company provided employment during the summer for 125 university, technical and high school students.

The Company was incorporated under the laws of Canada and has been Canadian owned throughout its history. At the end of 1974 there were 12,316 shareholders with over 98% of the common and preferred shares being held in Canada.



# **CALGARY POWER LTD.**

## **CORPORATE INFORMATION**

### **Head Office**

110 - 12th Avenue South West, Calgary, Alberta

**Postal Address:**

Box 1900, Calgary, Alberta T2P 2M1

### **Transfer Agents and Registrars**

**For Preferred Shares:**

CROWN TRUST COMPANY, Vancouver, Calgary, Winnipeg, Toronto, Montreal  
Montreal Trust Company, Regina, as Agent of Crown Trust Company

**For Common Shares:**

MONTREAL TRUST COMPANY, Vancouver, Calgary, Regina, Winnipeg, Toronto,  
Montreal

### **Trustees and Registrars**

**For First Mortgage Bonds:**

MONTREAL TRUST COMPANY, Vancouver, Calgary, Toronto, Montreal

**For Debenture Issues:**

THE ROYAL TRUST COMPANY, Vancouver, Calgary, Toronto, Montreal

### **Auditors**

CLARKSON, GORDON & CO., Chartered Accountants, Calgary

### **Solicitors**

JONES, BLACK, GAIN & LAYCRAFT, Calgary

DUNCAN & CRAIG, Edmonton

# ALBERTA CANADA

## OIL AND GAS

OIL FIELD

GAS FIELD

OIL AND GAS FIELD

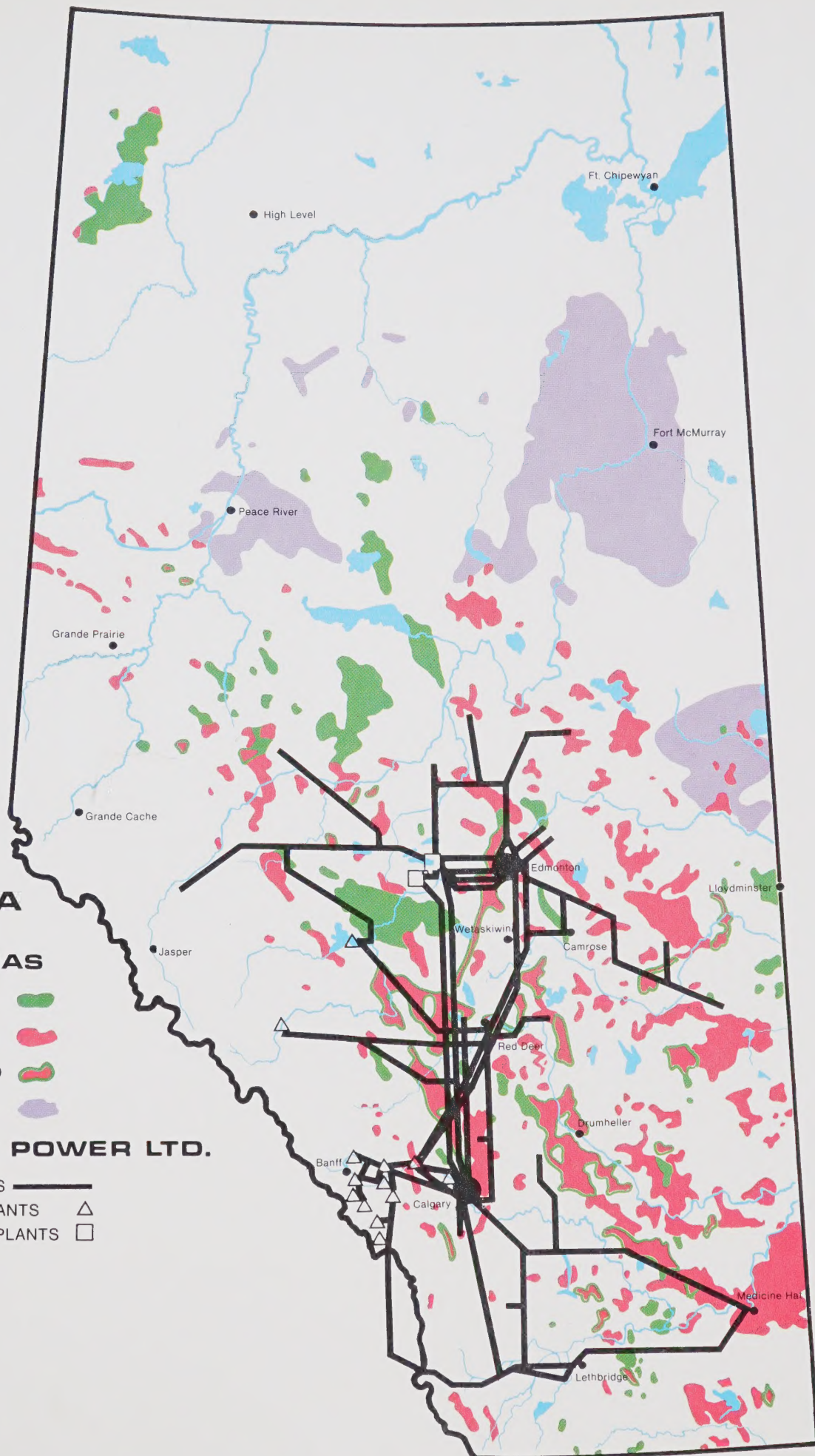
OIL SAND

## CALGARY POWER LTD.

MAIN POWER LINES

HYDRO POWER PLANTS

THERMAL POWER PLANTS







**CALGARY  
POWER**